

**BYLAWS
OF
[WASHINGTON FOUNDATION SHAREHOLDER]
(the “Corporation”)**

**ARTICLE I
OFFICES**

The principal office of the Corporation shall be located at its principal place of business or such other place as the Board of Directors may designate. The Corporation may have such other offices, either within or without the State of Washington, as the Board of Directors may designate, or as the business of the Corporation may require from time to time.

**ARTICLE II
MEMBERSHIP**

The Corporation shall have no members.

**ARTICLE III
BOARD OF DIRECTORS**

3.1 General Powers. The business and affairs of the Corporation shall be conducted under the direction of, and the control and disposal of the Corporation’s properties and funds shall be vested in, its Board of Directors, except as otherwise provided in the Washington Nonprofit Corporation Act (the “Act”), the Corporation’s Articles of Incorporation, or these Bylaws.

3.2 Qualifications. In selecting the members to serve on the Board of Directors, with the exception of the members to serve on the First Board as defined in Section 3.5.2 of these Bylaws, and in nominating and selecting their successors, consideration shall be given to ensuring that the Board of Directors represents the diversity of Washington’s population and includes individuals with expertise, education and/or experience in one or more of the following areas: health care or social welfare; business management, asset management, investment or financial management; leadership; grant making; nonprofit organizations; or public health, provided that at least three (3) members of the Board of Directors then in office must have expertise in business management, asset management, investment or financial management. Regardless of the foregoing, no director may be: (i) a member of the Board of Directors, or an officer or employee, of the Blue Cross Blue Shield Association or one of its licensees, of any hospital or hospital association or medical association in Washington, or of any other entity engaged in the business of providing coverage, or the administration, of health benefits, including, without limitation, any health insurer, Health Care Service Contractor (as defined in RCW 48.44.010), hospital and medical service corporation, health maintenance organization, health carrier or health plan in Washington, or any affiliate of any of the foregoing; (ii) an elected state or federal government official; (iii) a current director, commissioner, or employee of a state or federal health-related agency or insurance department; (iv) a director or employee of

a health-related public development authority; or (v) a current director, officer, or employee of PREMERA or any of its affiliates.

3.3 Duties of Directors. Pursuant to RCW 24.03.127, each director shall perform the duties of a director, including the duties as a member of any committee of the Board of Directors upon which the director may serve, in good faith, and in a manner that such director believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

3.4 Number of Directors. The number of members on the Board of Directors shall be as stated in the Foundation's Articles of Incorporation. Any action of the Board of Directors to increase or decrease the number of directors within the limitations imposed by the Articles of Incorporation, whether expressly by resolution or by implication through the appointment of additional directors, shall not be effective without the affirmative vote of at least two-thirds of the directors then in office.

3.5 Election.

3.5.1 General. After the appointment or election of the Third Board pursuant to Section 3.5.2, the Board of Directors shall appoint a successor director to replace each director whose term is ending pursuant to Section 3.6 below. The Board of Directors may make any such appointment at the annual meeting at which the director's term is scheduled to end. In selecting new directors, the Board of Directors shall strive to maintain a reasonable diversity of views, expertise, experience, and geographical representation. In appointing such directors, the Board of Directors may utilize such processes, and may consult with such individuals and groups, as the Board of Directors deems appropriate.

3.5.2 First Board, Second Board, and Third Board. If all state and regulatory approvals of the State of Washington have been obtained with respect to the Application regarding the Conversion and Acquisition of Control of Premera Blue Cross and its Affiliates (the "Application"), Docket Number G 02-45, those persons named as the initial directors in the Corporation's Articles of Incorporation (the "First Board") shall resign and shall take all actions necessary to effect the installation of those individuals as their successors to be appointed by the Attorney General of the State of Washington (collectively, the "Second Board"). Immediately after the closing of the initial public offering as contemplated in the Application (the "Transfer Date"), those persons comprising the Second Board shall resign and shall take all actions necessary to effect the installation of those individuals as their successors to be appointed by the Attorney General of the State of Washington (collectively, the "Third Board"). In the event that the Washington Attorney General has been unable to install the Third Board, the Second Board shall have the authority to continue to perform the normal and customary duties of directors in accordance with these Bylaws, the Articles of Incorporation, and RCW 24.03.127 until such Third Board is installed. In appointing directors to the Second Board and/or Third Board, the Attorney General of the State of Washington may utilize such processes, and may consult with such individuals and groups, as the Attorney General deems appropriate. Notwithstanding this Section 3.5.2, a director's service on the Second Board does not disqualify such director from (i) being appointed and serving a full term on the Third Board, or (ii) being

appointed or elected to any subsequent board by the Board of Directors then in office as provided for in these Bylaws.

3.6 Classifications and Term. The directors comprising the First Board will resign upon the effective appointment of the Second Board, and the directors comprising the Second Board will resign upon the effective appointment of the Third Board, pursuant to Section 3.5.2. The Third Board shall be divided into three (3) groups and shall be known as Class I, Class II, and Class III. The initial Class I directors shall hold office until the first annual election of directors, the initial Class II directors shall hold office until the second annual election of directors, and the initial Class III directors shall hold office until the third annual election of directors. Thereafter, directors of each class shall serve for a term of three (3) years, commencing on the date of election, and each director shall hold office until his or her successor is elected and qualified, or until his or her death, resignation, or removal. At each subsequent annual meeting of directors, the successors of those directors whose terms then expire shall be elected to serve for a term of three (3) years, and until their successors are elected and qualified, or until their death, resignation, or removal. Any director may serve up to three (3) successive three (3) year terms, and thereafter shall be ineligible to serve as a director for a period of one (1) year.

3.7 Increase in Number. Except as provided in Section 3.5.2, if the Board of Directors increases the number of directors as provided in Section 3.4, such position shall be filled by the affirmative vote of a majority of the remaining Board of Directors even though less than a quorum of the Board of Directors may be present at the meeting. The Board of Directors may make any such appointment at any of its meetings.

3.8 Vacancies. The Board of Directors may appoint an individual to fill any vacancy in the position of director. The Board of Directors may do so at any meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, even if less than a quorum of the Board of Directors is present at the meeting. A director who fills a vacancy shall serve for the unexpired term of his or her predecessor in office.

3.9 Resignation. Any director may resign at any time by delivering notice thereof, in any manner and by any means permitted under the Act, to the president or the secretary at the principal office of the Corporation, or by giving such notice at any meeting of the Board of Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective; provided however, that if the resignation would result in the Corporation having no director or no director capable of serving as such, the resigning director shall continue to serve as a director until a successor director is appointed and qualified as provided in these Bylaws or by resolution of the Board of Directors.

3.10 Removal. At a meeting called expressly for that purpose, the Board of Directors may remove from office upon a vote of two-thirds (2/3) of the directors in office, with cause, one or more directors as long as there is at least one director remaining after such removal.

3.11 Compensation. Unless otherwise provided by law, the Corporation shall not compensate directors for their services as directors, but the directors shall be entitled to reimbursement for actual and necessary expenses incurred in the performance of their official duties.

ARTICLE IV MEETINGS OF BOARD OF DIRECTORS

4.1 Annual Meeting. The annual meeting of the Board of Directors shall be held during the month of March on the date and at the time each year as determined by the Board of Directors, for the purpose of electing directors and officers, and for transacting such other business as may properly come before the meeting. The failure to hold an annual meeting at the time stated in these Bylaws does not affect the validity of any corporate action.

4.2 Place of Meetings. All meetings shall be held at the principal office of the Corporation, or at such other place within or without the State of Washington designated by the Board of Directors, by any persons entitled to call a meeting, or by a waiver of notice executed by all directors.

4.3 Regular Meetings. By resolution, the Board of Directors may specify the date, time, and place for the holding of regular meetings of the Board of Directors or any committee designated by the Board of Directors without any notice other than such resolution. If no such resolution is adopted, then the Board of Directors may call meetings pursuant to the notice provisions set forth in Section 4.9.

4.4 Special Meetings. Special meetings of the Board of Directors or any committee designated by the Board of Directors may be called by, or at the request of, the president or any one or more of the directors in office, in any manner and by any means permitted under the Act, or in the case of a committee meeting, by the chair of the committee. The person or persons authorized to call special meetings may fix the place, either within or without the State of Washington, and time for holding any special Board of Directors or committee meeting called by them. Notice of a special meeting shall be given as provided in Section 4.9.

4.5 Participation by Telephone. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of such Board of Directors or committee by means of a conference telephone or similar communications equipment by which means all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

4.6 Presumption of Assent. A director present at a Board of Directors meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless:

- (a) the director's dissent or abstention from the action taken is entered in the minutes of the meeting;

(b) the director files dissent or abstention, in any manner and by any means permitted under the Act, to such action with the person acting as the secretary of the meeting before the adjournment thereof; or

(c) the director forwards such dissent or abstention by registered mail to the secretary of the Corporation immediately after the adjournment of the meeting.

Notwithstanding the foregoing, such right to dissent or abstain shall not apply to a director who voted in favor of such action.

4.7 Quorum. Unless a greater portion is required by these Bylaws, the Articles of Incorporation, or applicable Washington law, a majority of the directors fixed by, or in the manner provided by these Bylaws, shall constitute a quorum for the transaction of business or any particular item of business at any Board of Directors meeting, but in no event shall a quorum consist of less than one-third of the number of directors so fixed or stated. If a quorum is not present at a meeting, a majority of the directors present may adjourn the meeting and set a date and time for the meeting to reconvene without further notice.

4.8 Manner of Acting.

4.8.1 General. Each director shall be entitled to one (1) vote, and the act of the majority of the directors present at a meeting at which there is a quorum shall be the act of the Board of Directors, unless the act of a greater number is required by these Bylaws, the Articles of Incorporation, or applicable Washington law. A director may not vote or act by proxy at any meeting of directors.

4.8.2 Acts Requiring a Greater Number of Directors. The affirmative vote of three-fourths (3/4) of the directors then in office, and advance written approval of the Attorney General of the State of Washington, shall be required for the Board of Directors to:

- (a) amend, alter or repeal any of these Bylaws;
- (b) amend the Articles of Incorporation, except for a change of Registered Office or Agent under Article XI; provided that in no event can Article III ("Purposes and Powers") be amended to be inconsistent with the purpose of promoting the health of the residents of the State of Washington;
- (c) adopt a plan of merger or consolidation with another Corporation;
- (d) authorize the sale, lease or exchange of all or substantially all of the property and assets of the Corporation, not in the ordinary course of business;
- (e) authorize the voluntary dissolution of the Corporation or revoke proceedings therefor; or
- (f) adopt a plan for the distribution of the assets of the Corporation.

4.9 Notice of Meetings. For any meeting of the Board of Directors or any committee designated by the Board of Directors for which notice is required by these Bylaws or by applicable Washington law, a notice stating the place, day, and hour of the meeting shall be given to each director at his or her address shown on the records of the Corporation at least twenty-four (24) hours prior thereto by any manner and by any means permitted under the Act (and the method of notice need not be the same to each director). If notice is mailed, the notice shall be deemed effective when deposited in the United States mail properly addressed with postage thereon prepaid. If sent by facsimile or other electronic means, such notice shall be deemed effective when the facsimile machine or other electronic means prints or acknowledges that the transmission was successfully executed. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or any committee designated by the Board of Directors need be specified in the notice.

4.10 Waiver of Notice

4.10.1 Waiver by Communication. Whenever any notice is required to be given to any director under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in any manner and by any means permitted under the Act, executed by the director entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the waiver of notice of such meeting.

4.10.2 Waiver by Attendance. Attendance of a director or a committee member at a meeting shall constitute a waiver of notice of such meeting, except where a director or a committee member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE V ACTIONS BY UNANIMOUS CONSENT IN LIEU OF MEETING

Any corporate action required or permitted by the Articles of Incorporation or Bylaws, or by the laws of the State of Washington, to be taken at a meeting of the directors of the Corporation or at a meeting of a committee, may be taken without a meeting if a consent, given in any manner and by any means permitted under the Act, setting forth the action so taken, shall be executed by all of the directors or all of the members of the committee, as the case may be, entitled to vote with respect to the subject matter thereof. Such consents may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Such consent shall have the same force and effect as a unanimous vote, and may be described as such. Any such consent shall be inserted in the minute book as if it were the minutes of a meeting of the Board of Directors.

ARTICLE VI OFFICERS

6.1 Number. The officers of the Corporation shall be a president, one or more vice presidents, a secretary, and a treasurer, each of whom shall be elected by the Board of Directors. Other officers and assistant officers may be elected or appointed by the Board of Directors, such officers and assistant officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws, or as may be provided by resolution of the Board of Directors. Any officer may be assigned by the Board of Directors any additional title that the Board of Directors deems appropriate. Any two or more offices may be held by the same person, except the offices of president and secretary.

6.2 President. The president shall be the chief executive officer of the Corporation and, subject to the Board of Directors' control, shall supervise and control all of the assets, business, and affairs of the Corporation. The president may sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the president shall perform all duties incident to the office of president, and such other duties as are assigned to him or her by the Board of Directors from time to time.

6.3 Vice Presidents. The Board of Directors may elect one or more vice presidents who shall assist the president in carrying out the programs of the Corporation. In the event of the death of the president or his or her inability to act, the vice president (or if there is more than one vice president, the vice president who was designated by the Board of Directors as the successor to the president, or if no vice president is so designated, the vice president whose name first appears in the Board of Directors resolution electing officers) shall perform the duties of the president, except as may be limited by resolution of the Board of Directors, with all the powers of and subject to all the restrictions upon the president. Vice presidents shall have, to the extent authorized by the president or the Board of Directors, the same powers as the president to sign deeds, mortgages, bonds, contracts or other instruments. Vice presidents shall perform such other duties as from time to time may be assigned to them by the president or the Board of Directors.

6.4 Secretary. The secretary shall be responsible for ensuring that minutes of meetings of the Board of Directors are recorded and maintained, and to the extent minutes of meetings of committees of the Board of Directors are recorded, that such minutes are maintained; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Corporation or appoint such person or entity as is appropriate to act as such custodian; ensure that records are kept of the name and address of each director and each officer; sign with the president, or other officer authorized by the president or the Board of Directors, deeds, mortgages, bonds, contracts, or other instruments; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him or her by the president or the Board of Directors.

6.5 Treasurer. The treasurer shall have charge of, and be responsible for, all funds and securities of the Corporation; ensure that monies due and payable to the Corporation from any source whatsoever are properly received and that receipts are given for said monies; ensure that all such monies are deposited in the name of the Corporation in banks, trust companies, or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of treasurer, and such other duties as may be assigned to him or her by the president or the Board of Directors. If requested by the Board of Directors, at the Corporation's expense, the treasurer shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board of Directors may determine.

6.6 Elections and Term of Office. The officers of the Corporation shall be elected each year by the Board of Directors at its annual meeting. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board of Directors or, if later, until his or her successor is elected.

6.7 Vacancies. A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board of Directors for the unexpired portion of the term, or for a new term established by the Board of Directors.

6.8 Resignation. Any officer may resign at any time by delivering notice thereof, in any manner and by any means permitted under the Act, to the president or any director, or by giving such notice at any meeting of the Board of Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6.9 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed from office, with or without cause, by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.10 Compensation; Contract Rights. The salaries, if any, of the officers and agents shall be limited to reasonable compensation for services, as fixed from time to time by the Board of Directors, or by any committee to which the Board of Directors has delegated such authority. Election or appointment of an officer or agent shall not of itself create contract rights.

6.11 Limitations on Authority. For purposes of clarification, no officer shall be permitted to sell the PREMERA Interests (as defined in the Corporation's Articles of Incorporation) except in an administrative or ministerial capacity acting on a permissible sale by the Board of Directors; provided, however, the Board of Directors may by resolution authorize one or two officers as the authorized signatory of the Corporation solely for the purpose of executing documents, agreements or instruments duly authorized pursuant to the Articles of Incorporation of the Corporation, these Bylaws and the law.

ARTICLE VII CONFLICT OF INTEREST

7.1 Conflict Defined. A conflict of interest may exist when the interests or activities of any director, officer, or staff member may be seen as competing with the interests or activities of the Corporation, or the director, officer, or staff member derives a financial or other material gain as a result of a direct or indirect relationship.

7.2 Conflict of Interest Policy. The Board of Directors may adopt a conflict of interest policy and procedures to implement the provisions of this Article.

7.3 Disclosure Required. Any possible conflict of interest shall be disclosed to the Board of Directors by the person concerned, if that person is a director or the president of the Corporation, or to the president (or such person as the president may designate) if the person with the potential conflict is a staff member or any other officer.

7.4 Abstention from Vote. When any conflict of interest is relevant to a matter requiring action by the Board of Directors, the interested person shall call it to the attention of the Board of Directors or its appropriate committee, and such person shall not vote on the matter; provided, however, that any director disclosing a possible conflict of interest may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof.

7.5 Absence from Discussion. Unless requested to remain present during the meeting, the person having the conflict shall retire from the room in which the Board of Directors or its committee is meeting, and shall not participate in the final deliberation or decision regarding the matter under consideration. However, that person shall provide the Board of Directors or committee with any and all relevant information.

7.6 Minutes. The minutes of the meeting of the Board of Directors or committee shall reflect that the conflict of interest was disclosed, and that the interested person was not present during the final discussion or vote and did not vote. When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the Board of Directors or its committee, excluding the person concerning whose situation the doubt has arisen.

7.7 Prohibition Against Acceptance of Gifts. Each director, officer, employee, agent, representative or person acting on the Corporation's behalf shall be prohibited from accepting any gratuitous service, loan, discount, money, or article or service of value (x) from entities having actual or prospective business contacts with the Corporation or (y) otherwise as a result of his or her position, other than articles or services of nominal value or reasonable entertainment of nominal value.

7.8 Prohibition Against Beneficial Ownership of Shares of New PREMIER. No director, officer, or employee may, during his or her service as a director, officer, or employee, as the case may be, beneficially own shares of capital stock of New PREMIER (or any

successor thereto), provided that no such prohibition shall be applicable to any director's, officer's or employee's interest in a mutual fund account or other investment arrangement in which the director, officer or employee exercises no direct control over the investment in such shares.

7.9 Annual Review. A copy of the conflict of interest bylaw and any conflict of interest policy adopted by the Board of Directors shall be furnished to each director, officer, and senior staff member who is presently serving the Corporation, or who may thereafter become associated with the Corporation. This policy shall be reviewed annually for the information and guidance of directors, officers, and staff members. Any new directors, officers, or staff members shall be advised of this policy upon undertaking the duties of such office.

ARTICLE VIII COMMITTEES

8.1 Board Committees Generally. With the exception of the Investment Committee and the Program Committee, both of which shall be standing committees formed pursuant to Sections 8.5 and 8.6 of this Article VIII, the Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more additional standing or temporary committees. Each committee, including the Investment Committee and the Program Committee, unless otherwise specified in Sections 8.5 and 8.6, shall:

(a) consist of two (2) or more directors;

(b) be governed by the same rules regarding meetings, action without meetings, notice, and waiver of notice, and quorum and voting requirements as applied to the Board of Directors; and

(c) to the extent provided in such resolution or these Bylaws, have and may exercise all the authority of the Board of Directors; provided, however, that the Board of Directors may not delegate its authority to:

(i) amend, alter, or repeal these Bylaws;

(ii) elect, appoint, or remove any member of any such committee or any director or officer of the Corporation;

(iii) amend the Articles of Incorporation;

(iv) adopt a plan of merger or consolidation with another corporation;

(v) authorize the sale, lease, or exchange of all or substantially all of the property and assets of the Corporation, not in the ordinary course of business or in violation of law or regulations;

(vi) authorize the voluntary dissolution of the Corporation or revoke proceedings therefore;

(vii) adopt a plan for the distribution of the assets of the Corporation;

(viii) amend, alter, or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee; or

(ix) take any action requiring the vote of more than a majority of the directors pursuant to the Corporation's Articles of Incorporation or Bylaws.

The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it by law.

8.2 Quorums; Manner of Acting. A majority of the number of directors composing any committee, including the Investment Committee and the Program Committee, shall constitute a quorum, and the act of a majority of the members of a committee present at a meeting at which a quorum is present shall be the act of the committee.

8.3 Resignation of Committee Member. Any member of any committee may resign, including the Investment Committee and the Program Committee, at any time by delivering notice thereof, in any manner and by any means permitted under the Act, to the president, or the secretary of the Corporation or the chairperson of such committee, or by giving such notice at any meeting of such committee. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.4 Removal of Committee Member. The Board of Directors shall have the power at any time to change the members of any committee and to fill vacancies, including the Investment Committee and the Program Committee. The Board of Directors shall have the power to discharge any committee except for the Investment Committee and the Program Committee.

8.5 Investment Committee. Upon the appointment or election of the First Board pursuant to Section 3.5.2, there shall be designated a finance and investment committee (the "Investment Committee") which shall be a standing committee of the Board of Directors and shall include only those directors who have substantial business or financial management experience, such as experience as a board member or executive officer of a public company or other comparable experience. The Investment Committee shall, pursuant to the limitations of Section 8.1 and except for the powers delegated to the Program Committee subject to Section 8.6, possess and may exercise all the powers and functions of the Board in the management, control, and disposition of the Corporation's investments, including, without limitation, (a) the Corporation's shares of New PREMERA stock and (b) any proceeds, including without limitation, income on such proceeds as invested and reinvested, from the sale of such stock. In

performing the foregoing functions, the Investment Committee shall, on the Corporation's behalf, be authorized to employ and seek the advice of consultants or consulting firms with experience in asset and financial management such as investment banks, asset management funds and firms, or other consultants and consulting firms with relevant financial expertise. The Investment Committee shall consist of not less than three (3) and not more than five (5) directors to be elected by the Board of Directors for a term of one year. In electing the members of the Investment Committee, the Board of Directors shall select directors who meet the business experience requirements of this Section 8.5. The Board of Directors shall elect one of the Investment Committee's members as chair of the Investment Committee.

8.6 Program Committee. The Corporation shall at all times have a Program Committee whose function shall be to (i) propose to the Board of Directors, for review and approval, criteria, policies and procedures that will identify the most efficient use of the Corporation's resources in furthering the Corporation's purposes, and (ii) analyze and recommend to the Board of Directors what programs, grants and other expenditures should be made by the Corporation in accordance with such criteria, policies and procedures. The Program Committee shall consist of not less than five (5) directors to be elected by the Board of Directors for a term of one (1) year. In electing the members of the Program Committee, the Board of Directors shall ensure that the Program Committee represents the diversity of Washington's population, and includes individuals with experience, education, and/or expertise in one or more of the following areas: health care or social welfare; leadership; grant making; nonprofit organizations; or public health. The Board of Directors shall elect one of the Program Committee's members as chair for a one-year term, but a director cannot serve more than three consecutive terms as chair. No member of the Program Committee shall serve more than three consecutive one-year terms.

ARTICLE IX ADMINISTRATIVE PROVISIONS

9.1 Books and Records. The Corporation shall keep the following records at its registered office or its principal office in this state:

- (a) current copies of its Articles of Incorporation and Bylaws, as amended;
- (b) correct and adequate records of accounts and finances;
- (c) a record of officers' and directors' names and addresses;
- (d) minutes of the proceedings of its Board of Directors, and any minutes which may be maintained by committees having any of the authority of the Board of Directors; and
- (e) such other records as may be necessary or advisable.

Such records may be made in any manner and by any means permitted under the Act. All books and records of the Corporation shall be open at any reasonable time to inspection by any director.

9.2 Fiscal Year. The accounting year of the Corporation shall be the twelve months ending December 31.

9.3 Corporate Seal. The Board of Directors may provide for a corporate seal, which shall have inscribed thereon the name of the corporation, the year and the state of incorporation, and the words “corporate seal.”

9.4 Loans to Directors and Officers Prohibited. No loans or advances shall be made by the Corporation to any of its directors or officers.

9.5 Rules of Procedure. The Board of Directors shall appoint one director to act as chairperson for any term selected by the Board of Directors. The chairperson of the Board of Directors, after consultation with the president of the Corporation, shall set the agenda for each meeting of the Board of Directors. The rules contained in the most recent edition of Robert’s Rules of Order, newly revised, shall govern all meetings of directors where those rules are not inconsistent with the Articles of Incorporation, Bylaws, or other rules of order of this Corporation.

9.6 Amendment of Bylaws. These Bylaws may be amended, repealed, or modified, and new Bylaws adopted as provided for in the Corporation’s Articles of Incorporation.

CERTIFICATE OF ADOPTION

The undersigned Secretary of _____ does hereby certify that the above and foregoing Bylaws of said Corporation were adopted by the Board of Directors as the Bylaws of said Corporation, and that the same do now constitute the Bylaws of this Corporation.

DATED this _____ day of _____, 20 ____.

_____, Secretary